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OGC 63-0808(a)

2 APR 1963

MEMORANDUM FOR: Chief, Operations and Liaison
Finance Division

SUBJECT: Applicability of Greater Metropolitan
Area HHE Delivery and Pick-Up Rates

25X1A9A

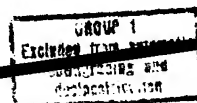
1. Your 19 March 1963 memorandum concerns excess delivery charges to Mr. [] in the amount of \$51.52, and requests our opinion as to:

(a) whether the full charges for delivery and pick-up of household effects in connection with PCS overseas assignments are properly charged to the Agency regardless of the location of the employee's abode, and

(b) whether or not this is a matter for purely administrative discretion.

2. Your memorandum relates that for a number of years storage contracts between CIA and commercial storage companies have reflected a rate, for HHE storage shipments, limited to pick-up or delivery from or to points within the Greater Metropolitan Area (commercial zone) of Washington, D. C. A higher ICC rate applies for points outside this zone and, as in Mr. [] case, 25X1A9A where the employee resides outside the zone, the policy followed by the Finance Division has been to charge the employee with the excess, i. e., the difference between the higher rate and the commercial zone rate. However, since our headquarters are now outside the District, approximately nine miles from the commercial zone zero milestone and three miles inside the western boundary of the zone, the use of this zone sometimes works an inequity on our employees. Thus, I understand an employee living in Vienna, Virginia, approximately seven miles from the headquarters building, is outside the commercial zone whereas employees residing in such areas as Beltsville, Clinton, and Fort Belvoir are within the zone although approximately twenty miles from the headquarters building.

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3. I have discussed this matter with Mr. [redacted] 25X1A9A
your office and, at his suggestion, with Mr. [redacted] Chief, 25X1A9A
Passenger Movement Branch, Transportation Division, Office of
Logistics. I understand from these discussions that the commercial
zone, with its zero milestone at the White House, was adopted by
the Agency when its headquarters were in the District. I further
understand that the zone is used as a matter of administrative con-
venience, because its rates and geographic boundaries have been
worked out in detail by the ICC, and as a means of conforming with
the practice of other Government agencies.

4. The controlling legal authorities are Section 4D, CIA
Act of 1949, as amended, and Section 1.3, Standardized Government
Travel Regulations (SGTR), as amended. Insofar as pertinent,
Section 4D of our Act provides that the Agency shall pay, under
such regulations as the Director may prescribe, the cost of trans-
porting to and from a place of storage the personal and household
effects of an employee of the Agency in connection with a PCS over-
seas assignment.

5. The only applicable regulation which has been prescribed
is [redacted] which authorizes shipment of effects:

"When storage at Government expense is authorized
from permanent duty post to nearest adequate stor-
age facility and thence to any subsequent permanent
duty posts,"

This regulation therefore contemplates storage shipments between
the permanent duty post and the nearest adequate storage facility.
Since the nearest adequate storage facility is not at issue here, the
question resolves itself into a determination of the limits of the
employee's duty post.

6. Section 1.3 SGTR provides that the limits of the duty post
or station:

"will be the corporate limits of the city or town in
which the officer or employee is stationed, but if
not stationed in an incorporated city or town, the
official station is the reservation, station, or

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established area, or, in the case of large reservations, the established subdivision thereof having definite boundaries within which the designated post of duty is located."

Since the Agency headquarters are not located within the corporate limits of a city or town, it appears from this section that the duty post, for purposes of HHE storage shipments of employees stationed at headquarters, should be the "established area." However, the Agency has not specifically prescribed an established area since moving to Langley. Rather, it has continued to use the Washington, D. C. commercial zone. In effect, therefore, the commercial zone has been administratively adopted as the established area for headquarters.

7. In view of the Agency's move to Virginia, this continued use of the commercial zone has limited basis in fact and sometimes results in inequities to our employees. These factors militate in favor of the Agency prescribing an established area with the headquarters building at its hub. Such an area should include places of abode, located a reasonable distance from the headquarters building, from which our employees commute on a daily basis. What is a reasonable distance should be administratively determined by taking into consideration the various factors involved.

8. Therefore, in answer to the questions posed in your memorandum, the full charges for HHE storage shipments in connection with PCS overseas assignments are not properly chargeable to the Agency regardless of the location of the employee's abode, and this is not a matter for purely administrative discretion. Rather, such charges are only allowable when a headquarters employee resides within the limits of his duty post.

9. As requested, the copy of the Interstate Commerce Commission Notice, dated November 1, 1961, is returned herewith.

[Redacted Signature Box]

Office of General Counsel

Attachment

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ORIGINAL DOCUMENT MISSING PAGE(S):

Missing Attachment